

AUTHORIZING THE ESTABLISHMENT OF A BUREAU OF
NAVAL WEAPONS

JULY 24, 1959.—Ordered to be printed

Mr. JACKSON, from the Committee on Armed Services, submitted
the following

R E P O R T

[To accompany H.R. 7508]

The Committee on Armed Services, to whom was referred the bill (H.R. 7508) to amend title 10, United States Code, to establish a Bureau of Naval Weapons in the Department of the Navy and to abolish the Bureaus of Aeronautics and Ordnance, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

On page 2, line 7, after the word "Navy" insert the words "or the Marine Corps".

On page 2, line 10, after the word "Navy" insert the words "or the Marine Corps".

On page 3, beginning with line 4, strike out all through line 8, and insert in lieu thereof the following:

(A) by striking out in the second sentence of subsection (a) the words "Bureau of Aeronautics" and inserting in lieu thereof the words "Bureau of Naval Weapons".

EXPLANATION OF THE AMENDMENTS

Under existing law, officers of the Marine Corps are eligible to be appointed as Chief or Deputy Chief of the Bureau of Aeronautics. The amendments are intended to continue the eligibility of officers of the Marine Corps to be appointed as Chief or Deputy Chief of the new Bureau of Naval Weapons.

PURPOSE OF THE BILL

This measure would authorize the establishment of a Bureau of Naval Weapons within the Navy Department by consolidating the existing Bureaus of Ordnance and Aeronautics.

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EXPLANATION OF THE BILL

Function of bureaus

Under the organization of the Department of the Navy, the Chief of Naval Operations and the Commandant of the Marine Corps, under the Secretary of the Navy, have responsibility for all matters relating to military command, while the Under Secretary, the Assistant Secretaries, and the chiefs of the bureaus have responsibility for all matters relating to business administration.

The Chief of Naval Operations and the Commandant of the Marine Corps are considered as representing the "consumers." The bureaus and their shore activities under the direction of the Under Secretary and the Assistant Secretaries are considered as representing the "producers." The bureau system is the foundation of the Navy's "producer" origination. The Department of the Navy now has the following bureaus: (1) Aeronautics, (2) Medicine and Surgery, (3) Personnel, (4) Ordnance, (5) Ships, (6) Supplies and Accounts, and (7) Yards and Docks.

Problem this bill is intended to meet

Before the development of advanced aircraft and missiles with increasing technical advances in electronics and similar fields, ships, aircraft, and other advanced weapons were of such a nature that they could be designed, developed, and produced within the existing bureau structure without serious problems of jurisdiction and responsibility. The principal points of coordination were in the adaptation of a ship or aircraft to accommodate a different torpedo tube gun mount, bomb rack, or rocket launcher.

The characteristics of aircraft and missiles, together with the necessary controlling and launching equipment, have become so complex and interrelated that they must be designed and developed as complete systems. Components of these advanced weapons systems may govern both the aircraft and the weapon, with the result that neither the airframe nor the weapon itself can be designed and developed independently. Consequently, the weapons systems development functions of the Bureau of Ordnance and the Bureau of Aeronautics have become so intermingled that problems of mixed responsibility, coordination, and funding have developed and will increase.

The division of responsibilities between the Bureau of Aeronautics and the Bureau of Ordnance results in the responsibility for weapons systems development being divided, with the Bureau of Ordnance being responsible for warheads, explosives, fuses, and rocket motors for all missiles, and the Bureau of Aeronautics having the responsibility for the final testing and evaluation of certain missiles.

The division of responsibility mentioned in the preceding paragraph creates problems of coordination. Each point of division requires coordination if the whole weapons system is to be developed successfully. One of the solutions has been for the bureaus to draw up a formal agreement on the division of responsibility for a specific weapons system and to establish a coordination committee composed of representatives of each bureau.

Another problem exists in connection with funding. Under the present appropriations procedure, all the funds for a complete weapons system are not provided to a single bureau. There frequently is difficulty in the funding processes for each missile. A temporary solution has been found in the case of the Polaris system by establishing a management fund, but the Navy considers that such an arrangement is impractical for every system under development.

Origin of recommendation for new bureau

The then Secretary of the Navy appointed a Committee on Organization in August of 1958. This Committee, the Chairman of which was the present Secretary of the Navy, Hon. W. B. Franke, was charged with evaluating the responsiveness of the Department of the Navy to recent advances in science and technology and to the Department of Defense Reorganization Act of 1958. The formal report of the Committee on Organization was submitted to the Secretary of the Navy on January 31, 1959.

The Committee concluded that most of the troublesome areas of splintered responsibilities and split cognizance are between the Bureau of Ordnance and the Bureau of Aeronautics. The Committee recommended that the consolidation of these two bureaus would result in the following advantages: (1) It would place approximately two-thirds of the total development effort of the Department under the direct authority and control of a single executive in the "producer" organization; (2) it would bring within the cognizance of a single bureau most of the present areas of split cognizance in weapons systems development; (3) it would coordinate and simplify funding of major weapons systems; (4) it would expedite the timely development and procurement of all components of a weapons system; and (5) it would promote economy through improved coordination and supervision and through more effective use of facilities and laboratories.

Why legislation is necessary

The bureaus are statutory organizations but their duties and responsibilities are determined by the Secretary of the Navy under the authority of section 5132, title 10, United States Code. The Secretary does not have the authority to establish a new bureau or to abolish an existing bureau.

Timing of change

The Department of the Navy plans to complete the organizational structure of the Bureau of Naval Weapons in time to establish this new Bureau on September 1, 1959. It is anticipated that the Bureau of Naval Weapons can assume the responsibilities of the Bureaus of Ordnance and Aeronautics in time to permit the disestablishment of these bureaus on January 1, 1960.

Effect of personnel

The Department of the Navy estimates that substantially all of the personnel included in the existing Bureaus of Ordnance and Aeronautics will be required in the functioning of the Bureau of Naval Weapons. The Bureau of Aeronautics now employs 431 military personnel and 2,179 civilians. The Bureau of Ordnance has 206 military personnel and 1,442 civilians.

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COST OF THE LEGISLATION

The Department of the Navy candidly states that it does not forecast monetary savings as a result of the consolidation contemplated by this bill. Although some savings may result, the authority is sought in an attempt to shorten leadtime in the development of new weapons systems by placing them under single direction and control.

COMMITTEE RECOMMENDATION

The committee recommends this legislation as being a progressive step. At the same time, the increasing relative importance of the submarine and the antisubmarine warfare functions of the Navy make it obviously desirable that the organization of the Navy include provision for these functions commensurate to such importance. The report of the Committee on Organization of the Navy is not entirely clear that the Navy organization reflects appropriate recognition of the relative importance of fleet ballistic missile submarines and antisubmarine warfare. The committee urges the Navy to give continued consideration to this subject.

DEPARTMENTAL POSITION

The Department of the Navy strongly urges the enactment of this legislation. It is a part of the Department of Defense legislative program for 1959, and the Bureau of the Budget has advised there is no objection to the enactment of this legislation, as is evidenced by the letter of the Under Secretary of Defense which is hereto attached and made a part of this report.

THE SECRETARY OF DEFENSE,
Washington, May 29, 1959.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: There is forwarded herewith a draft of proposed legislation to amend title 10, United States Code, to establish a Bureau of Naval Weapons in the Department of the Navy and to abolish the Bureaus of Aeronautics and Ordnance.

This proposal is a part of the Department of Defense legislative program for 1959 and the Bureau of the Budget has advised that there is no objection to the presentation of this proposal for the consideration of the Congress. The Department of the Navy has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is to improve the organization of the Department of the Navy so as to reduce the leadtime between the expression of operational requirements and the delivery to the combat forces of fully developed and effective weapons and weapons systems. To accomplish this purpose the legislation would (1) establish a new bureau, the Bureau of Naval Weapons, in which the present functions of the Bureau of Aeronautics and the Bureau of Ordnance would be consolidated; and (2) provide for the abolition of

these two Bureaus when all their functions have been transferred from them.

The Secretary of the Navy, under section 5132 of title 10, United States Code, has wide authority to transfer functions among the seven Bureaus of the Department which are listed in section 5131. His authority does not extend, however, to the establishment of a new bureau or to the abolition of an existing one.

Advances in technology and changes in weapons characteristics particularly in the field of missiles, have tended to merge the areas of development now under the Bureau of Aeronautics and the Bureau of Ordnance to such a degree that the consolidation of the functions of these two bureaus into a single new bureau, and the subsequent abolition of the old bureaus, is considered essential in order to expedite the timely development and procurement of effective weapons.

Prior to the development of supersonic aircraft and guided missiles, and the concurrent technical advances in electronics and similar fields, aircraft and weapons could be designed, developed, and produced by the Bureau of Aeronautics and the Bureau of Ordnance, respectively, with only a minimum of coordination between the two bureaus. Aircraft and weapons, and controlling and launching equipment, have now, however, become so complex and interrelated that they must be designed and developed as complete systems. As a result, the weapons systems development functions of the Bureau of Aeronautics and the Bureau of Ordnance have become so intermingled as to produce increasingly serious problems of divided responsibility and cognizance, coordination at multiple stages and levels, and funding.

Areas of split cognizance also exist, although to a lesser degree, between other bureaus and offices and the Bureaus of Aeronautics and Ordnance. Establishment of the Bureau of Naval Weapons would enable the Secretary of the Navy to consolidate in that Bureau not only the functions of the Bureaus of Aeronautics and Ordnance but also related functions of other bureaus.

Such a consolidation would place the weapons system development effort of the Department of the Navy under the direct authority and control of a single executive; would simplify the funding of major weapons systems; would insure full utilization of the professional and technical talent available to the Navy; and would permit more efficient use of facilities and laboratories. The result would be a significant improvement in the total weapons systems development effort of the Department.

As envisioned by the Department of the Navy, the Bureau of Naval Weapons will be the heart of the Navy's "producer" organization. It will be a large bureau and its responsibilities to the fleet and the Nation will be exceptionally heavy. Its size will not make it unwieldy, however. With capable assistants and appropriate delegation of authority, its chief will be able to guide it to much better performance than is possible under the existing system of divided and overlapping responsibilities.

The Department of the Navy, on behalf of the Department of Defense, strongly urges that the proposed legislation be enacted as soon as possible. Until Congress has indicated its approval, plans for the organization and staffing of the Bureau of Naval Weapons and for the orderly, phased transfer of functions into it are necessarily tentative. If the legislation is approved during the current session of

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Congress, it is expected that the transfer of functions will be accomplished before January 1, 1960. A delay until the next session would postpone the beginning of the process of implementation for at least a year. In the meantime, uncertainty as to whether and when the legislation might be enacted would unavoidably have adverse effects on operations under the present system as well as postponing the expected beneficial effects of the legislation.

The Department of the Navy is vitally concerned in assuring that, in the proposed consolidation of functions, the status of scientific, technical, and other key personnel will be fully protected and that they will carry their skills and experience into the new bureau. The Department is also concerned in assuring that scientific and professional personnel engaged in specific projects or fields of specialization will be able to continue their work with a minimum of interruption. Unless the proposed legislation is enacted promptly it is feared that some valuable employees, uncertain as to their future, may leave the Navy and that vital projects will be interrupted or delayed.

The report of the Committee on Organization of the Department of the Navy (Franke committee) contains on pages 99 to 107 a further explanation of the need for the proposed legislation. Copies of the report are available to interested Members of Congress.

COST AND BUDGET DATA

It is not possible to estimate the impact of the proposed legislation on budgetary requirements, but it is expected that ultimately there may be some savings realized from this consolidation.

Sincerely yours,

THOMAS S. GATES, *Acting.*

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are shown in parallel columns as follows (existing law proposed to be omitted is enclosed in black brackets in the left-hand column; new matter is printed in italic in the right-hand column; existing law in which no change is proposed is shown in roman):

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Chapter 513 of title 10, United States Code

Section 5131 as amended by section 1 of the bill, effective on the date of enactment:

§ 5131. Bureaus: names; location

There are in the executive part of the Department of the Navy the following bureaus:

- (1) Bureau of Aeronautics.
- (2) Bureau of Medicine and Surgery.
- (3) Bureau of Naval Personnel.

[(4)] Bureau of Ordnance.

[(5)] Bureau of Ships.

§ 5131. Bureaus: names; location

There are in the executive part of the Department of the Navy the following bureaus:

- (1) Bureau of Aeronautics.
- (2) Bureau of Medicine and Surgery.
- (3) Bureau of Naval Personnel.

(4) *Bureau of Naval Weapons.*

(5) Bureau of Ordnance.

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[(6)] Bureau of Supplies and Accounts.

[(7)] Bureau of Yards and Docks.

§ 5131. Bureaus: names; location

There are in the executive part of the Department of the Navy the following bureaus:

[(1) Bureau of Aeronautics.]

[(2)] Bureau of Medicine and Surgery.

[(3)] Bureau of Naval Personnel.

[(4) Bureau of Ordnance.]

[(5)] Bureau of Ships.

[(6)] Bureau of Supplies and Accounts.

[(7)] Bureau of Yards and Docks.

§ 5133. Bureau Chiefs: rank; pay and allowances; retirement

(a) Unless appointed to a higher grade under another provision of law, an officer of the Navy, while serving as a chief of bureau, has the rank of rear admiral and is entitled to the basic pay and allowances of a rear admiral in the upper half of that grade. Unless appointed to a higher grade under another provision of law, an officer of the Marine Corps, while serving as Chief of the [(Bureau of Aeronautics,)] has the rank of major general and is entitled to the basic pay and allowances of a major general.

(b) An officer who is retired while serving as a chief of bureau, or who, after serving at least two and one-half years as a chief of bureau, is retired after completion of that service while serving in a lower rank or grade, may, in the discretion of the President, be re-

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(6) Bureau of Ships.

(7) Bureau of Supplies and Accounts.

(8) Bureau of Yards and Docks.

Section 5131 as amended by section 2 of the bill, effective not later than July 1, 1960:

§ 5131. Bureaus: names; location

There are in the executive part of the Department of the Navy the following bureaus:

(1) Bureau of Medicine and Surgery.

(2) Bureau of Naval Personnel.

(3) *Bureau of Naval Weapons.*

(4) Bureau of Ships.

(5) Bureau of Supplies and Accounts.

(6) Bureau of Yards and Docks.

§ 5133. Bureau Chiefs: rank; pay and allowances; retirement

(a) Unless appointed to a higher grade under another provision of law, an officer of the Navy, while serving as a chief of bureau, has the rank of rear admiral and is entitled to the basic pay and allowances of a rear admiral in the upper half of that grade. Unless appointed to a higher grade under another provision of law, an officer of the Marine Corps, while serving as Chief of the *Bureau of Naval Weapons*, has the rank of major general and is entitled to the basic pay and allowances of a major general.

(b) An officer who is retired while serving as a chief of bureau, or who, after serving at least two and one-half years as a chief of bureau, is retired after completion of that service while serving in a lower rank or grade, may, in the discretion of the President, be re-

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tired with the grade of rear admiral or major general, as appropriate, and with retired pay base on that grade. If he is retired with the grade of rear admiral, he is entitled to the retired pay of a rear admiral in the upper half of that grade.

(c) Except in time of war, any officer of a staff corps who has served as a chief of bureau for a full term is exempt from sea duty.

§ 5136. Bureau of Aeronautics: Chief; Deputy Chief

(a) The Chief of the Bureau of Aeronautics shall be appointed by the President, by and with the advice and consent of the Senate, for a term of four years, from officers on the active list of the Navy or the Marine Corps. The Chief of the Bureau of Aeronautics must be qualified as a naval aviator or naval aviator observer within one year after his appointment.

(b) An officer on the active list of the Navy or the Marine Corps may be detailed as Deputy Chief of the Bureau of Aeronautics.

§ 5144. Bureau of Ordnance: Chief; Deputy Chief

(a) The Chief of the Bureau of Ordnance shall be appointed by the President, by and with the advice and consent of the Senate, for a term of four years, from officers on the active list in the line of the Navy not below the grade of commander.

(b) An officer on the active list in the line of the Navy may be detailed as Deputy Chief of the Bureau of Ordnance.

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tired with the grade of rear admiral or major general, as appropriate, and with retired pay base on that grade. If he is retired with the grade of rear admiral, he is entitled to the retired pay of a rear admiral in the upper half of that grade.

(c) Except in time of war, any officer of a staff corps who has served as a chief of bureau for a full term is exempt from sea duty.

Section 5136 is repealed by section 2 of the bill, effective not later than July 1, 1960.

Section 5144 is repealed by section 2 of the bill, effective not later than July 1, 1960.

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§ 5154. *Bureau of Naval
Weapons: Chief;
Deputy Chief*

(a) *The Chief of the Bureau of Naval Weapons shall be appointed by the President, by and with the advice and consent of the Senate, for a term of four years, from officers on the active list of the Navy or the Marine Corps.*

(b) *The Deputy Chief of the Bureau of Naval Weapons may be detailed from officers on the active list of the Navy or the Marine Corps.*

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